



Donald Goulette, Chairman  
Robert Borowiec  
James Grise  
Donald Derosia  
Daniel Taney

# City of Chicopee, Massachusetts

## License Commission

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### Minutes for May 17, 2012

In attendance: Chairman Goulette, Commissioners Borowiec, Grise, Derosia and Taney. Also in attendance: Atty. Rooke

Minutes for April are presented to the Board. Commissioner Derosia makes a motion to approve. Commissioner Grise seconds. Motion approved 5-0.

Application for a Transfer and Relocation of an All Alcohol Package Store License for Winn Liquors, Inc, D/b/a Winn Liquors, 1968 Memorial Dr to Mormax Corporation, D/b/a BJ's Wholesale Club, 650 Memorial Dr with Irving Netkovick as manager. In attendance: Atty. Robert Lefebvre, Irving Netkovick, proposed manager, Peter Hopley, VP of Development and Diane Mareira, Manager of the Northborough store.

**Atty. Lefebvre:** Introduces the BJ's team to the Board and then informs the Board that Ms. Mareira is present as she is the manager of the Northborough store and they have a very similar set up. She will be able to answer any operational questions. This is a transfer of an existing license; it is not a new license. They are simply filling a void left by the closing of Winn Liquors. If you look at the surrounding Memorial Drive area there is a lot of new development happening. There is Chicopee Crossing, Chipotles Restaurant, 2 large scale retail operations, office space along with a proposed Residence Inn. Across the street are a proposed new Aldis Supermarket and a Firestone Tire Center. This area of Chicopee is at a crossroads of the Massachusetts Turnpike and Route 91. BJ's Wholesale Club serves what they feel is underserved areas of Belchertown, Granby, Ludlow, Monson, Palmer, essentially areas that are east of the Connecticut River. Costco and related retailers serve areas west of the Connecticut River. What you will see up and down Route 91 are retail corridors that are very important to retailers. You'll see it here in Chicopee, in Holyoke, Greenfield and up through Brattleboro. What BJ's is attempting to do with this license is fill a need that the membership has expressed an interest in. And that is being able to purchase alcohol in this Chicopee location. Atty. Lefebvre shows a chart with the demographics of the current membership. Only 25% are Chicopee residents, 75% comes from outlying areas. The majority are east of the Connecticut River. They are not trying to take business away from area retailers; they are trying to compete with places like Costco. They are a Massachusetts company and have been located in Chicopee since 1988. They have 150 employees and half of these employees work in the Chicopee location. BJ's has recently prepared a petition and in only a few days have gained over 2000 signatures in support of a liquor license at the Chicopee location. Approximately 1640 signatures were from people who live outside of the Chicopee area. 640 signatures were from Chicopee residents. That coincides with the demographic break down shown earlier.

Atty. Lefebvre submits the petition for the Boards review.

**Atty. Lefebvre:** Informs the Board how this license will be implemented in the Chicopee location. BJ's is a wholesale retailer with a no frills format where there are bulk items for purchase. There is one main entrance/exit. The liquor sales will be located in about three aisles in the back of the store. There will be a limited selection of beer, wine and alcohol. No cold or refrigerated items in the store. No nips, pints or small liters will be sold. No employees will be trained to give advice on wine or any selections. There will not be a separate area for alcohol sales to check out. All sales must go through the front registers and only the ones with an employee stationed there. Self checkout for alcohol is not allowed. A valid ID must be scanned through state of the art scanners and a birth date must be entered into the system by an employee in order to continue with the transaction. Once this is done, there is a loss prevention employee stationed at the exit that must check the register receipt to the cart contents in order to leave

the store. This has been a very effective system for BJ's and they do not have a lot of theft. There are not a lot of teenagers or kids in the store without supervision. You do not have to be a member to purchase alcohol but the reality is 99% of the people who shop there are members. There will be additional cameras in the liquor department for added security.

**Atty. Lefebvre** shows the Board photographs from the Northborough store that will be similar to the Chicopee location design if approved.

**Atty. Lefebvre:** The area is cordoned off when liquor sales are not allowed by law. Also the registers will not allow alcohol sales that are not allowed by law. This is a destination store not somewhere you are going to run in for a six pack. This will be a similar set up to the store in Northborough. In fact there is a licensed store (Wegmans) right across the street and it has not affected the sales. The members have demonstrated a desire to have this license transferred to this location. BJ's has always been and will continue to be a good corporate citizen to Chicopee.

**Chairman Goulette:** Asks about the self service checkout counters in the front of the store.

**Atty. Lefebvre:** States that they will not be allowed to use them for alcohol sales. Only registers with an employee stationed there will be available for alcohol sales. And all manned registers are equipped with scanners for the alcohol sales.

**Commissioner Derosia:** Has questions concerning someone else's use of your membership card for alcohol sales.

**Atty. Lefebvre:** States that a valid ID must be shown in order to buy alcohol and the cashier must enter a birth date for the sale to be completed. This is implemented for every sale, no matter the age. If they don't have a license they must have an ID that is acceptable for the sale of alcohol in Massachusetts.

**Commissioner Derosia:** Questions the fact that the loss prevention person does not really know what is in carriage when you leave the store.

**Atty. Lefebvre:** Informs the Board that there is a two prong approach, the first being the cashier that checks your ID and the loss prevention personnel at the door who are trained to look for certain things such as the amount of items and other things when a customer is exiting the store.

**Commissioner Derosia:** Inquires as to the security of the alcohol itself. He has seen different types of locking devices for the bottles. (Has pictures of different types of locking devices)

**Mr. Hopley:** Explains that they do use this type of device on certain products; it is not practical to use these devices on all bottles due to time constraints and other factors. They feel they have more than adequate security to prevent theft. They do use it on high cost liquors. But not for every type of liquor they sell.

**Commissioner Borowiec:** States that all employees will have to be TIPs certified.

**Atty. Lefebvre:** Informs the Board that BJ's has two TIPs trainers at the Northborough store and the Chicopee location will have four TIPs trainers on staff to train all employees.

**Frank Sydlo:** Chicopee resident. He is opposed to this as a parent and a teacher. There is no public need for this license at this location. Also this is in close proximity to Chicopee Comprehensive High school. There are students who do pass through that Montgomery Street and Memorial Drive corridor on a frequent basis. And it has been found that people, who are legally able to purchase alcohol, do purchase alcohol for under aged children.

**Jim Tillotson:** City Councilor, city resident: His concern is that if this is approved it will change the way liquor sales are made in the city. It opens up the possibility of larger stores like Stop & Shop, Wal-Mart, and Big Y purchasing a liquor license from a smaller store that would probably jump at the chance for a large purchase price because the licenses are limited in the city. This could force the smaller retailer to go out of businesses. There are plenty of liquor stores in the area. He is also a member of BJ's and was not contacted about any survey. He has never received a call saying a person can't find a package store or they need to have liquor in a grocery store or a big store.

**Michael McKenna:** Chicopee resident. He is also a BJ's member and was not contacted about a survey. He sees lots of kids in the BJ's store. He is not opposed to liquor sales. He has worked in corrections for 20 years. As to the security measures they have in place, there are most likely several ways to circumvent these. The Id's are useless if someone has access to your mail. Identity theft is rampant. In his job he travels to places where he sees a lot of youthful offenders. These youths are in and out of these facilities constantly. He submits a petition with 51 signatures from his neighborhood opposing this transfer. There are plenty of liquor stores in the area so there is no need for another one. And he feels there will be an increase in traffic in an already congested area.

**Mark Russell:** Chicopee resident. He is opposed to the transfer. There was a Massachusetts voters question on the ballot several years ago asking if voters would like to allow alcohol sales in grocery stores. It was defeated and the Chicopee residents rejected this. Asks the Board to not allow this transfer.

**Jesse Lafleur:** Chicopee resident. He is opposed to this also. Too many children in the area. Lack of public need especially in a big box store. Seen too many small stores go out of business when big stores come in the area with something like this.

**Kevin Jopson:** Chicopee resident. Opposed to this because of the traffic concerns in this area. There have been numerous accidents in the past several years. With the bridge closing in the center Granby Road and Grattan Street are going to be horrendous. As it is now, once a week he can pick up bottles and cans off his lawn.

**Linda Jopson:** Chicopee resident. She works with children and is a BJ's member. She loves buying at a discount and in bulk but does not want to see alcohol in the store. There are plenty of package stores in the area. The store is in close proximity to Chicopee Comprehensive High school. There are kids that do go into BJ's and does not want to see them have access to any alcohol.

**Stephanie Costa:** Ludlow resident. Her family business has 2 package stores in the city for 20 + years. Her father has had several businesses before opening a package store. This is their livelihood. BJ's is a large entity and sells a lot of products. It also has a lot of employees. If an employee leaves, there are other employees to fill that position. When her family business loses a customer or employee it does affect their bottom line. They are only a package store, they don't sell the variety of merchandise that BJ's does. If their family business closes, it affects not only her family but their employees as well. She has a strong work ethic that she has learned from her family working hard to succeed. There will be an increase in traffic. This transfer could put a small store out of business.

**Jan Sudol:** Chicopee resident, owner of Friendly Liquors. His customers are happy with him and he is happy with them. Asks that the "big box" not to take his customers away and leave the small business alone. It's a family business with his wife and children working with him.

**Jim Spano:** Owner of Aldenville Liquors. He asks that the other owners of package stores identify themselves and what store they represent.

**Bill Collins:** Owner of Lighthouse Liquors, Memorial Drive

**Steven Selby:** Owner of Kappy's Liquors, Memorial Drive

**Atty. Rooke:** Requests that each individual owner express whether they are in favor of this transfer or opposed to it.

**Steven Selby:** Opposed

**Bill Collins:** Opposed

**Yogesh Patel:** Owner of Plaza Liquors, Memorial Drive and opposed to the transfer

**Jim Spano:** Also opposed to the transfer. He wishes to make a few comments that are not regarding the law but are counter points to what BJ's has presented to the Board tonight. BJ's has mentioned that there will be a limited selection of alcoholic beverages. He has an ad from a paper that they are dedicated to providing members with top quality brand names at a significantly lower prices than the supermarket, super centers, etc. , "you can expect to find all of your liquors, wines, spirits and beer you need at wholesale prices". This is in comparison to what they have just stated. Second - in terms of their security, he has visited each of the stores that sell alcohol products. He purchased a bottle of wine for his brother because he could not purchase it in Chicopee. When he went to check out, they did not check his ID. He had the receipt with him that shows it was not checked. He is not disputing what they have to say concerning the security but this is his own experience. The reason he opposes this transfer and asks the Commission to deny this is as follows: In the past 15 years the Commission has not given a beer/wine package store license to a convenience store/ gas station or to the big grocery stores. In 1988 BJ's had come before the Board for a transfer of a license, the exact same situation as this, the Board denied it, BJ's appealed the denial, at the hearing in Boston, the ABCC stated that "where the local Board has acted within the law and has made a good faith determination of the public need, the ABCC is unwilling to substitute it's judgment for that of the local Board. The action of the local Board is approved". In the past 15 years of attending the Commission meetings, he has never missed one where there has been a transfer or a new license on the agenda. When the Board denies a transfer or new license there are usually 2 reasons. The first reason being the request was not in the best interest of the City of Chicopee. The second reason being there is no public need for the license. He submits to the Board a map of the area where he has marked the location of BJ's and the existing package store

licenses. Within 1.8 miles of BJ's there are 7 existing stores. He asks the Board to review this map and the proximity to the proposed location. Within a 5-10 minute drive there are 7 existing stores. As people have stated tonight, why do we need another one? He understands the law does not allow him to argue convenience. But it does allow the argument of public need. The law states there has to be a public need. And in his view he hopes this shows there is not a public need for this, he hope the Board will take this into consideration when making a decision to deny this transfer.

**Bill Collins:** Lighthouse Liquors, owner for 10 years. He has made some observations based on his bias towards the recommendation of approving this transfer. There are 3 major state highways that crisscross across Hampden County. They are Route 5, Route 20 and Route 33. Route 5 is Riverdale Road; there is 1 liquor store along the span of this. On Route 20 which is Boston Road in Springfield, from Springfield to Wilbraham line, there are 2 stores. Route 33 which is Memorial Drive, there are 3 stores. As a businessman, he sees neither wisdom nor need in having 4 stores along Memorial Drive.

**Atty. Lefebvre:** Points out that this is a transfer of an existing license. The primary objections have been mainly from the existing package stores. If this was an available license the larger concern would be a larger national chain coming in. He asks that Mr. Kelley, the current owner, address the Board with his experience in owning a package store.

**Mr. Kelley:** He states that for the other retailers this is an existing license, when he closed his business, his customers went somewhere else. He can reopen his business again and that would probably affect their sales. His clientele was looking for cold beer mainly. He sold a large volume of small sizes, nips, pints, etc. BJ's is not selling the small sizes, or cold products like a package store does. The concern of the public is legitimate and it always has been and will continue to be. BJ's will not have a whole store of alcohol products. They have security in place. And his store was in close proximity to a school and there are other stores that are also.

**Atty. Lefebvre:** There is a perception about the competition that is not a reality. Competition is not a valid reason to deny this transfer. In other communities where BJ's has alcohol sales the existing stores have not gone out of business. It is a different type of clientele. This is an existing license and Mr. Kelly should have the opportunity to transfer it.

**Jim Tillotson:** Mr. Kelley's argument is not valid. If he was transferring this to Mickey Mouse in the same location, the conversation would be different. It would be at a different location and it would not be opening the door to so called big box stores and supermarkets. The marketing strategy would be different. His concern is the possibility of setting a precedent of a big box store or grocery store having a package store license.

**Ms. Costa:** Asks the Board if Winn Liquors is still in business. The Board states that they are not. She asks what the public need is for this license to be transferred to BJ's. It's a large corporation taking business away from the independent owners.

**Gary Colucci:** An employee of Kappy's. He wants to know what happens to this license if the transfer is not approved.

**Chairman Goulette:** States that Mr. Kelley has a limited amount of time to keep this license. He does have the right to transfer the license but time is limited.

**Gary Quinn:** Chicopee resident. He has worked in a package store previously. He would like to know what BJ's process is for recycling what they sell.

**Ms. Mareira:** BJ's does have redemption machines for the products they sell.

**Chairman Goulette:** States in his opinion that he does not see the need for this transfer. There are several stores within a small area.

**Commissioner Derosia:** Makes a motion to deny based on the lack of public need and the input from surrounding residents.

**Atty. Rooke** Asks that the motion be clarified.

**Commissioner Derosia:** Makes a motion that the transfer be denied due to the lack of public need or interest, with 7 stores in a 1.8 mile radius, a petition with 51 signatures opposing this and 14 residents who have spoken against this transfer and not one person spoke in favor except the applicant.

**Commissioner Taney:** Seconds the motion.

A roll call vote was taken.

**Chairman Goulette:** In favor of the denial

**Commissioner Borowiec:** Was in favor of this transfer to begin with, believes everyone should have a chance to save money where they can. But his job here is to serve the public and they don't want this. He is in favor of the denial. Yes to the motion.



**Commissioner Grise:** Yes to the motion, there are several schools in the area and the close proximity to 7 other stores in the area. There is also a lack of public need.

**Commissioner Derosia:** Yes to the motion

**Commissioner Taney:** Yes to the motion.

Motion to deny the Transfer of the Package Store All Alcohol license approved 5-0.

Application for a Transfer of Stock and a Change of Manager for Family Asset Holdings, Inc, D/b/a The Brass Tap, 66 Cabot St with Richard Laurin, Jr as proposed manager. In attendance: Atty. Lefebvre and Rich Laurin. Atty. Lefebvre informs the Board that Mr. Laurin will now become the sole shareholder and the manager due to a divorce. All the paperwork is in order. Commissioner Derosia makes a motion to approve. Commissioner Grise seconds. Motion approved 5-0

Application for a Change of Officers/Directors for Chicopee Portuguese American Club, 147 Exchange St with Dino Claudino as manager. Commissioner Derosia makes a motion approve. Commissioner Taney seconds. Motion approved 5-0

Application for a Special One-Day Permit (Beer/Wine) for Aramark @ Elms, 291 Springfield St for a Alumni Reception to be held on June 1, 2012 from 4:00 until 8:00 PM with Jeff LeBlanc as applicant. Commissioner Borowiec makes a motion approve. Commissioner Grise seconds. Motion approved 5-0

Application for a Special One-Day Permit (All Alcohol) for Aramark @ Elms, 291 Springfield St for a Alumni Dinner to be held on June 2, 2012 from 5:30 until 10:00 PM with Jeff LeBlanc as applicant. Commissioner Grise makes a motion approve. Commissioner Borowiec seconds. Motion approved 5-0

Application for a Special One Day (Wine/Malt) Permit for Moose, 244 Fuller Rd for the Weekly Car Shows to be held on May 17, 24 and 31, 2012 from 5:00 PM until dark with Robert Hupfer as applicant. Commissioner Derosia makes a motion approve. Commissioner Grise seconds. Motion approved 5-0

Application for a Special Event for a 18+ College Night to be held at Maximum Capacity, 116 School St on June 14, June 21, June 28 and July 5, 2012 with Donald Robert, Jr as applicant. Commissioner Grise makes a motion approve. Commissioner Borowiec seconds. Motion approved 5-0

Application for a Special Event for a Glow Party to be held at Maximum Capacity, 116 School St on August 10, 2012 with Donald Robert, Jr as applicant. Commissioner Derosia makes a motion approve. Commissioner Borowiec seconds. Motion approved 5-0

Application for a Common Victualer for Saporito's Pizza, 1408 Memorial Dr with Tim Fitzmeyer as manager (New) Commissioner Grise makes a motion approve. Commissioner Derosia seconds. Motion approved 5-0

**Fest of All Common Victualer:**

Amy's Sweet Treats

Commissioner Derosia makes a motion approve. Commissioner Taney seconds. Motion approved 5-0

Filing Fees are read into the record by Commissioner Taney